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DEPARTMENT FOR EAP/MLS, DRL AND EAP/RSP

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SUBJECT: A/S LOWENKRON DISCUSSES BURMA, NORTH KOREA AND CAMBODIA'S DEMOCRATIC PROGRESS WITH PM HUN SEN AND MFA HOR NAMHONG

Classified By: Pol/Econ Chief Margaret B. McKean; Reason: 1.4 (b) and (d)

¶1. (SBU) Summary. DRL A/S Barry Lowenkron met separately with Cambodian PM Hun Sen and Foreign Minister Hor Namhong during an October 14-17 visit to Cambodia. The PM reassured the USG of Cambodia's decision to back Guatemala for the rotational Latin American UNSC seat. Lowenkron thanked Hun Sen for his support on Burma; the PM disparaged recent North Korean nuclear activities. Cambodia's positive democratic developments were highlighted in both meetings, but A/S Lowenkron underscored USG concerns over corruption, land disputes, and restrictions on civil society. In a separate meeting, the FM complained about the UNOHCHR Cambodia office and sharply criticized UN Special Representative Yash Ghai. Lowenkron warned that wealth from raw materials and corruption are a dangerous mix and urged the RGC to plan wisely for its future use of oil/gas reserves. End Summary.

¶2. (U) Participants: A/S Lowenkron was accompanied by the Ambassador, DCM, DRL staff member Michael Orona, POL/ECON officer (notetaker) and LES (interpreter). The PM was accompanied by DPM Sok An, Minister of Commerce Cham Prasidh, MFA Secretary of State Ouch Borith, Om Yentieang and an interpreter. At the MFA meeting, the FM was accompanied by MFA Secretary of State Ouch Borith and Acting Head of the Americas Department Youns Makana.

Guatemala, Burma and North Korea

¶3. (C) During his October 17 meeting with Prime Minister Hun Sen, A/S Lowenkron thanked the Cambodian government for supporting the candidacy of Guatemala over Venezuela for the rotational Latin America seat at the United Nations Security Council. The Prime Minister noted that President Chavez's criticism of President Bush at the UNGA had swayed the RGC to support Guatemala, despite an earlier promise to back Venezuela.

¶4. (C) Secretary Rice has been disappointed over ASEAN's inability to pressure the Burmese junta over the past year, noted Lowenkron, adding that recent statements by ASEAN countries have been more encouraging. The PM noted his concern over the lack of progress towards democracy in Burma, and highlighted that the Cambodian National Assembly had recently established a legislative caucus on Burma. Lowenkron applauded the National Assembly's initiative, and considered it a positive development.

¶5. (C) Hun Sen raised the issue of North Korea, underscoring strong RGC condemnation of the DPRK's recent nuclear test. Cambodia had issued a recent statement and

privately warned other ASEAN members during an August meeting to distrust North Korea's motives, said Hun Sen, who thought that North Korea had used the Six-Party Talks as a delaying tactic to advance its nuclear program. The A/S expressed appreciation for the RGC's principled stance on North Korea. The PM promised to support UNSC discussions on North Korea and Burma.

A/S: Cambodia Has Great Potential

¶ 6. (C) Lowenkron explained that the Secretary understands democracy building does not happen overnight. A country's overall trajectory and progress towards democracy is more important. He and the Secretary focus on three areas: a political process that leads to a free, fair election; the government's ability to govern openly, fight corruption and respect its citizens' rights; and the role of a civil society. In this context, Cambodia presents opportunities and challenges. The election process for the upcoming commune elections in April 2007 and general elections in 2008 must be free, open and fair. Lowenkron also underscored USG dissatisfaction over the slow progress on anti-corruption legislation and the growing problem of land disputes. He warned that these problems would erode trust in government and set back democratic progress. Cambodia has many NGOs and a robust civil society, and he continued that the RGC's proposed NGO legislation should not hamstring the very organizations who can help Cambodia's democratic development.

¶ 7. (C) The PM responded that Cambodia is a haven for NGOs. Sidestepping the issues raised by Lowenkron he said that the Cambodian government and the Ministry of Interior are working on a draft version of an NGO law, but NGOs will have an

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opportunity to provide input. On the land issue, the government has established a Land Dispute Authority headed by DPM Sok An that includes the opposition Sam Rainsy Party. Hun Sen has appealed for an end to illegal land grabs but the government may have to take stricter measures to deter unscrupulous wealthy developers. Corruption is a core issue and impediment for Cambodia's development, acknowledged the PM, who added that the CPP faces a difficult election if this issue is not properly addressed. Opposition leader Sam Rainsy has opened discussions with the government to help solve the corruption problem, and Hun Sen has recently discussed including SRP members on the national auditing authority.

¶ 8. (C) The A/S underscored President Bush's concern over corruption and the need for all governments to address the issue fairly and transparently. The A/S urged the PM to view the United Nations as a friend to Cambodia and a partner that can strengthen the RGC's work in eliminating poverty and improving the Cambodian people's lives. The PM responded that Cambodia had welcomed UNTAC, is currently involved in U.N. operations in Sudan, and will soon send a PKO force to East Timor.

Meeting with FM Hor Namhong

¶ 9. (C) Earlier on October 16, A/S Lowenkron met Foreign Minister Hor Namhong, who foreshadowed the PM's comments about North Korea and Burma and characterized both countries as unpredictable and troublesome for the region. The A/S added that the situation in Burma is serious and has negative transnational implications for the ASEAN region. The FM thanked the USG for assistance in health, education, and demining, and outlined areas where Cambodia has made positive democratic progress: a free media environment, a land law, and a strong political opposition. A/S Lowenkron also applauded Cambodia's commitment to religious freedom.

¶ 10. (C) Despite democratic progress, continued the FM, the

UNSGY's Special Representative for Human Rights Yash Ghai was pessimistic about the human rights situation in Cambodia. Cambodia may not be perfect, Hor Namhong allowed, but it has performed better than other countries in the region. The A/S responded that no country's record on human rights is perfect, and Cambodia has tremendous potential. As in the later meeting with PM Hun Sen, the A/S underscored USG concerns over land issues, political participation, corruption and good governance. On elections, the FM said that the RGC will invite observers from many organizations on election day. The A/S responded that the period leading up to the election is equally important in judging the validity of elections. The FM assured the A/S that Cambodia will pass a good anti-corruption law but offered no timetable. Cambodia's future oil and gas revenues will require careful planning, offered A/S Lowenkron. Officials in other oil-rich countries seem to believe that development can thrive even with rampant corruption, but history has shown otherwise, he warned.

¶11. (C) The FM raised the issue of three suspected containers of uranium found near the border with Thailand, and asked for USG technical assistance to ascertain the contents of the containers and help dispose of the contents. The Ambassador responded that the Embassy has conveyed a request for USG assistance. The FM also conveyed an invitation for the Secretary to visit Cambodia and stated that he was sorry to miss A/S Hill in New York City; A/S Lowenkron promised to convey these messages.

Comment

¶12. (C) Overall, both meetings were friendly and underscored the key human rights issues in our bilateral relationship. A/S Lowenkron delivered a clear message to the PM regarding the proposed law that NGOs fear will restrict their activities, describing it as a troubling worldwide phenomenon. The PM offered no clear timetable for passage of the draft anti-corruption law or an indication that the donor community's suggestions would be approved. The latest draft version suggests that the RGC will provide budgetary support to the proposed Anti-Corruption Body (ACB) as well as investigative authority, but will not grant autonomy to the ACB nor address the issue of asset declaration. End Comment.

¶13. (U) A/S Lowenkron did not have the opportunity to clear

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this message before his departure.

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